

**Ensign Peak Services, Inc.**

**FINANCIAL STATEMENTS**

**December 31, 2005 and 2004**

***WEBSTER & CO., PC***  
CERTIFIED PUBLIC ACCOUNTANTS

# WEBSTER & CO., PC

*Certified Public Accountants*

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*Cory M. Webster, CPA\**

## ACCOUNTANTS' REPORT

To The Board of Directors:  
Ensign Peak Services, Inc.  
West Valley City, Utah

We have reviewed the accompanying statements of financial position of Ensign Peak Services, Inc. (a non-profit organization) as of December 31, 2005 and 2004, and the related statements of revenues and expenses, changes in fund balances, activities and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Ensign Peak Services, Inc.

A review consists principally of inquiries of the management and other organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information included in the accompanying Statement of Functional Expenses is presented only for supplementary analysis purposes. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.



Webster & Co., PC  
June 13, 2006

**Ensign Peak Services, Inc.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2005 AND 2004**

**ASSETS**

	<u>2,005</u>	<u>2,004</u>
<b>CURRENT ASSETS</b>		
Cash	6,147	1,654
Accounts receivable	19,340	22,741
Total Current Assets	<u>25,487</u>	<u>24,395</u>
<b>FIXED ASSETS</b>		
Office furniture and equipment	12,707	12,707
Less accumulated depreciation	(7,903)	(6,049)
Total Fixed Assets	<u>4,804</u>	<u>6,658</u>
 Total Assets	 <u><u>30,291</u></u>	 <u><u>31,053</u></u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Accounts payable	12,139	18,127
Accrued payroll taxes	2,621	742
Credit card payable	658	2,285
Total Liabilities	<u>15,418</u>	<u>21,154</u>

**FUND BALANCES**

Unrestricted funds	14,873	9,899
Total Fund Balances	<u>14,873</u>	<u>9,899</u>
Total Liabilities and Fund Balances	<u><u>30,291</u></u>	<u><u>31,053</u></u>

See the accompanying notes and accountants' report

**Ensign Peak Services, Inc.**  
**STATEMENTS OF REVENUES AND EXPENSES**  
**YEARS ENDED DECEMBER 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b><u>REVENUES</u></b>		
Support-Division of Child & Family Services	65,238	111,491
Support-Division of Youth Corrections		33,809
Support-Division of JJS	59,387	9,032
Tracking	30,517	23,336
Therapy-various agencies	47,676	54,712
Miscellaneous income	976	97
Charitable contribution	700	1,635
Interest income	19	9
	<hr/>	<hr/>
Total Revenues	204,513	234,121
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<b><u>EXPENSES</u></b>		
Procter Reimbursements	48,521	49,359
Therapist Fees	32,850	42,741
Tracking Fees	48,001	65,855
Training Attendance	2,075	3,713
Client Allowances	4,274	4,055
Client Costs-Other		
Clothes	250	361
Meals	78	140
Other	769	13
Advertising	1,642	1,179
Automobile Expense	889	1,130
Bank Service Charges	(152)	251
Computer Services	795	1,017
Contracted Services	201	
Contributions	35	75
Depreciation Expense	1,854	2,234
Dues and Subscriptions	339	410
Employee Benefits	138	448
Gifts		497
Insurance	9,512	11,771
Interest	40	462
Licenses and Permits	573	564
Miscellaneous	87	193
Office	390	
Payroll	22,538	16,758
Payroll Taxes	1,724	1,282
Postage and Delivery	220	299
Professional Fees	1,243	1,855
Rent	13,210	13,440
Staff Training	473	835
Supplies	1,892	2,961
Taxes-Other	97	122
Telephone	4,767	4,962
Meals and Entertainment	67	306
Utilities	147	164
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Total Expenses	199,539	229,452
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Excess Revenue or (Expense)	4,974	4,669
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See the accompanying notes and accountants' report

**Ensign Peak Services, Inc.**  
STATEMENTS OF CHANGES IN FUND BALANCES  
YEARS ENDED DECEMBER 31, 2005 and 2004

	<u>Unrestricted</u>
BALANCE, December 31, 2003	\$ 5,230
Excess of expenses over revenues	4,669
Authorized fund expenditures/interest income adjustment	
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BALANCE, December 31, 2004	9,899
Excess of expenses over revenues	4,974
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BALANCE, December 31, 2005	<u><u>\$ 14,873</u></u>

See the accompanying notes and accountants' report

**Ensign Peak Services, Inc.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004**

UNRESTRICTED NET ASSETS	2005	2004
Unrestricted revenue		
Support-Division of Child & Family Services	\$ 65,238	\$ 111,491
Support-Division of Youth Corrections		33,809
Support-Division of JJS	59,386	9,032
Tracking	30,517	23,336
Therapy-various agencies	47,676	54,712
Miscellaneous income		97
Interest income	19	9
Total unrestricted revenue	<u>202,836</u>	<u>232,486</u>
Expenses		
Program services	172,849	192,126
Support services	25,713	37,326
Total Expenses	<u>198,562</u>	<u>229,452</u>
Increase in unrestricted net assets from operations	4,274	3,034
Other Income		
Charitable contribution	700	1,635
Increase in unrestricted net assets	4,974	4,669
Net assets at beginning of year	<u>9,899</u>	<u>5,230</u>
Net assets at end of year	<u><u>14,873</u></u>	<u><u>9,899</u></u>

See the accompanying notes and accountants' report

**Ensign Peak Services, Inc.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in unrestricted net assets from operations	\$ 4,974	\$ 4,669
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Depreciation	1,854	2,234
(Increase) decrease assets		
Undeposited funds		366
Accounts receivable	3,401	(2,475)
Increase (decrease) liabilities		
Accounts payable	(5,988)	(5,921)
Payroll taxes payable	1,879	742
Credit card payable	<u>(1,627)</u>	<u>956</u>
Net cash flows provided by (used by) operating activities	4,493	571
<b>NET INCREASE(DECREASE) IN CASH</b>	4,493	571
<b>CASH AT BEGINNING OF YEAR</b>	<u>1,654</u>	<u>1,083</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 6,147</u></u>	<u><u>\$ 1,654</u></u>

Interest paid for 2005 \$ 40; 2004 \$ 462.

See the accompanying notes and accountants' report

**ENSIGN PEAK SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2005 AND 2004**  
See Accountants' Report

**NOTE 1—ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

*Non-Profit Status* – The Ensign Peak Services, Inc. (the Organization) was organized as a non-profit corporation in accordance with the laws of the State of Utah. The Organization is tax-exempt under internal revenue code section 501(c) 3

*Cash and Cash Equivalents* – For purposes of the statement of cash flows, the Organization considers all highly liquid investments with maturity of three months or less at the date of acquisition to be “cash and cash equivalents.”

*Revenue Recognition* – Revenue is recorded in the period that it is earned.

*Depreciation* – All equipment is accounted for at cost and depreciated over its estimated useful life of 5 to 7 years using the straight-line method. Depreciation for the years ended December 31, 2005 and 2004 was \$1,854 and \$2,234 respectively.

*Use of Estimates* – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2—RELATED PARTY TRANSACTION**

The Organization rents office space from Diana G. Hussey, a trustee. The rent is month to month, and the amount of rent paid to Diana Hussey for the year ended December 31, 2005 was \$6,000.

**NOTE 3—LEASES**

The Organization leases commercial office space under a month to month lease. The monthly lease amount is \$620.



**Ensign Peak Services, Inc.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended December 31, 2005

	Total	Program Services	Supporting Services	Fund- raising
<b>Cost of Services Provided</b>				
Procter Reimbursements	48,521	48,521		
Therapist Fees	32,850	32,850		
Tracking Fees	48,002	48,002		
Training Attendance	2,075	2,075		
Client Allowances	4,273	4,273		
Client Costs-Other	151	151		
<b>Total COSP</b>	<b>135,872</b>	<b>135,872</b>		
<b>Management and General</b>				
Advertising	1,642	1,526	116	
Automobile Expense	889	548	341	
Bank Service Charges	-152		-152	
Computer Services	795	139	656	
Contracted Services	201		201	
Contributions	35		35	
Depreciation Expense	1,854		1,854	
Dues and Subscriptions	339		339	
Employee Benefits	138		138	
Insurance	9,512	8,953	559	
Interest	40		40	
Licenses and Permits	573		573	
Miscellaneous	56		56	
Office Supplies	390		390	
Payroll	22,538	11,269	11,269	
Payroll Taxes	1,724	862	862	
Postage and Delivery	220		220	
Professional Fees	1,243		1,243	
Rent	13,210	8,719	4,491	
Staff Training	473	473		
Supplies	1,892	556	1,336	
Taxes-Other	98		98	
Telephone	4,767	3,814	953	
Meals and Entertainment	66		66	
Utilities	147	118	29	
<b>Total Managaement and General</b>	<b>62,690</b>	<b>36,977</b>	<b>25,713</b>	<b>0</b>
<b>Total Expenses</b>	<b>198,562</b>	<b>172,849</b>	<b>25,713</b>	<b>0</b>

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